

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Allocation of Mandatory Student Fees and Designated Tuition for the 2003-2004 Academic Year

Date: May 12, 2003

Recommended Actions:

1. Approve the allocation of the Regent universities mandatory student fees for the 2003-04 academic year, including the summer 2003 session, as set forth in Tables 1-3.
 2. Approve the University of Northern Iowa's allocation of tuition designated for student fees for the 2003-04 academic year, including the summer 2003 session, as set forth in Table 4.
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Executive Summary:

In the fall of each year, the Board of Regents establishes base tuition and mandatory fees for each of the universities for the following academic year. At the subsequent May Board meeting, the Board allocates student fees for various student purposes after considering the priorities of the students.

Student Fee Committees The Iowa Code requires the involvement of student fee committees prior to the Board changing allocations of student fees.

The student fee committees at each university have met and made recommendations regarding the allocations of the student fees. The proposals are consistent with the student fee committee recommendations.

Types of Allocations There are two distinct types of allocations to be made:

1. Allocation of certain mandatory student fees.
2. Allocation of a portion of tuition specifically designated as student fees.

In the fall of 2002, the Board directed the universities to phase out all designated tuition allocations into mandatory fees so that designated tuition will be completely eliminated by the 2004-05 academic year. The University of Iowa and Iowa State University have completed the transition. The University of Northern Iowa is expected to complete the transition by 2004-05.

The following table summarizes all mandatory fees and the proposed amounts of tuition to be designated as student fees.

Student Fees Academic Year 2003-2004			
	SUI	ISU	UNI
Mandatory Student Fees*			
Computer Fee	\$188	\$188	\$150
Health Fee	159	160	116
Health Facility Fee	10	16	26
** Student Activities Fee	39	57	0
** Student Services Fee	51	159	102
Student Union Fee	85	0	0
Building Fee	119	106	180
Proposed Designated Tuition			
** Student Services Fee	\$0	\$0	\$90

* Board approved in November 2002.

**Allocations proposed for Board approval.

Mandatory Fees	<p>The Board approved each of the above mandatory fee amounts in November 2002. The Board is being requested to allocate certain mandatory fees for various student functions.</p> <p>The majority of the allocations proposed for Student Activities Fees and the Student Services Fees at the Regent universities are for student government, bus service, and athletics.</p>
Proposed Designated Tuition	<p>The 2003-04 academic year is the final year for the University of Northern Iowa to have designated tuition. The University of Northern Iowa plans to increase designated tuition by \$13.10 or 17.0%, which is comparable to the approved percentage increase in tuition. Two of the largest increases in allocations include \$3.10 for Intercollegiate Athletics and \$2.60 for the Center for Multicultural Education.</p>
Detailed Allocations	<p>The detailed allocations of the identified mandatory student fees (Tables 1-3, pages 7-9) and the designation of tuition for student fees at the University of Northern Iowa (Table 4, page 10).</p>

Strategic Plan:

The review and approval of the allocations for both designated tuition and mandatory fees support the Board's strategic plan, Key Result Area 4, that requires the Board to exercise effective stewardship of institutional resources to support aspirations of educational excellence and a diverse and consistent funding base.

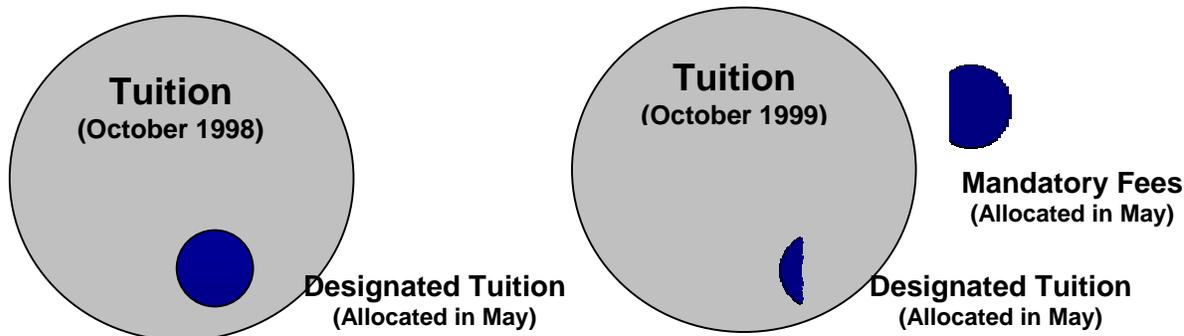
Background:

Board Process	<p>The Board sets tuition and mandatory fees in the fall of each year. For more than 70 years, the Board has allocated an amount for student activities and student services.</p>
Student Fee Committee	<p>Per Iowa Code §262.34B, a student fee committee at each university, composed of five students and five university employees, is required to make recommendations for the student fee allocations to the university president by April 15 for the subsequent academic year.</p> <p>The university president, in turn, makes a recommendation to the Board</p>

and the Board makes the final decision on the allocations of student fees. This process allows student input into the decision of how the student fees are allocated.

Redirection of Tuition

In October 1999, the Board made a fundamental change in the structure of tuition and fees by approving a request of the University of Iowa to establish new mandatory fees for certain student activities and student services rather than using tuition revenues. The change took tuition revenues that had been designated historically for student activities and student services, and established them as separate and distinct mandatory fees.



In October 2000, the Board approved a similar redirection of tuition to new mandatory fees for Iowa State University and the University of Northern Iowa. These redirections were to be implemented over a number of years.

The redirection from tuition to mandatory fees had significant consequences:

- Tuition dollars become available for academic areas and needs.
- Students pay mandatory fees rather than tuition to support specific programs that promote student activities and services.
- Students continue to pay the same amount for tuition, plus any base tuition increase approved by the Board.

Allocation of Student Fees

This redirection of tuition to mandatory fees adjusted how the Board allocated student fees. In addition to designating a portion of tuition for student fees, the Board also was required to allocate certain mandatory fees.

Elimination of Designated Tuition

In November 2002, the Board directed the universities to phase out all allocations of tuition and establish all student fees as mandatory fees. This will completely eliminate designated tuition by the 2004-05 academic year. The status by University is as follows:

- The University of Iowa has completed the transition this academic year.
- As reported in November 2002, Iowa State University had one remaining designated tuition amount for the Memorial Union. With the Board's approval in November 2002 to allow ISU to assume operational responsibility for the Memorial Union, the University will absorb the Memorial Union's operations. ISU's transition is thus complete.
- The University of Northern Iowa is expected to complete the transition by the 2004-05 academic year.

Analysis:

Allocation of Student Fees The following table provides a summary of the proposed fees by institution to be allocated at this time.

	MANDATORY FEES		
	SUI	ISU	UNI
Student Activities Fee	\$ 39	\$ 57	\$ --
Student Services Fee	51	159	102
Building Fees	119	106	180
	DESIGNATED TUITION		
Student Activities Fee	--	--	\$ 90

Mandatory Fees The following tables highlight only those mandatory student fees, as approved in November 2002, for which Board approval is sought for allocation. The details of the proposed allocations are included on Tables 1 through 3 on pages 7-9.

	MANDATORY FEES		
	Actual 2002-2003 <u>Academic Year</u>	Approved 2003-2004 <u>Academic Year</u>	Dollar Change
University of Iowa			
Student Activities Fee	\$ 37.00	\$ 39.00	\$2.00
Student Services Fee	49.00	51.00	2.00
Building Fees ¹	89.04	119.00	29.96
Iowa State University			
Student Activities Fee	57.00	57.00	--
Student Services Fee ²	145.00	159.00	14.00
Building Fees ¹	75.22	106.00	30.78
University of Northern Iowa			
Student Services Fee	83.50	102.00	18.50
Building Fees ³	180.30	180.00	(0.30)

¹ Part of designated tuition in 2002-2003.

² \$35 in mandatory fees and \$110 in designated tuition in 2002-2003.

³ \$90 in mandatory fees and \$90.30 in designated tuition in 2002-2003.

REVENUE FROM MANDATORY FEES

	Expected 2002-2003 <u>Academic Year</u> ¹	Estimated 2003-2004 <u>Academic Year</u>	Dollar Change
University of Iowa			
Student Activities Fee	\$ 939,077	\$ 989,788	\$50,711
Student Services Fee	1,243,406	1,303,090	59,684
Building Fees	2,311,974	3,109,442	797,468
Iowa State University			
Student Activities Fee	1,618,287	1,501,950	(116,337)
Student Services Fee	4,371,932	4,189,650	(182,282)
Building Fees	8,125,790	8,484,700	358,910
University of Northern Iowa			
Student Services Fee	1,067,125	1,320,900	253,775
Building Fees	2,220,125	2,331,000	110,875

¹ Includes revenue from both mandatory fees and designated tuition.

SUI The University of Iowa is proposing allocations of the mandatory fees as identified on Table 1, page 7. The increase of \$29 in building fees is consistent with the Board's approval granted in the fall for Phase I of a multi-year, multi-phased project to renovate the Iowa Memorial Union facility.

ISU Iowa State University proposes allocations of the mandatory fees as identified on Table 2, page 8. The \$30 increase for the Memorial Union improvements is consistent with the Board's approval last November. These funds will be used for future building renovations and debt service for the Union under a capital improvement plan that is being developed.

UNI The University of Northern Iowa proposes allocations of mandatory fees as identified on Table 3, page 9. The increases include a \$10 increase for the Panther Pass that will provide funding for the Gallagher-Bluedorn Performing Arts Center and an \$8 increase for Intercollegiate Athletics to support operational and scholarship costs. These are consistent with the Board's approvals last November.

Designated Tuition In November 2002, the Board directed the universities to phase out all designated tuition allocations into mandatory fees so that designated tuition will be completely eliminated by the 2004-05 academic year.

- The University of Iowa and Iowa State University have completed the transition.
- The University of Northern Iowa will complete the transition by the 2004-05 academic year.

The base tuition at the Regent universities for the 2003-2004 academic year is \$4,342 per student. Of this amount, a portion is designated for student fees at the University of Northern Iowa. The University is proposing to use \$90 of this base tuition for student activities fees as illustrated in the following table. This represents a 17.0% increase which is comparable to the Board's tuition increase.

DESIGNATED TUITION

	<u>2002-2003</u> <u>Academic Year</u>	<u>Proposed</u> <u>2003-2004</u> <u>Academic Year</u>	<u>Dollar</u> <u>Change</u>
University of Northern Iowa	\$76.90	\$90.00	\$13.10

The amount of total designated tuition revenue is estimated by multiplying the designated tuition amount per student by the enrollment assumptions and is illustrated in the following table.

DESIGNATED TUITION REVENUE

	<u>2002-2003</u> <u>Academic Year</u>	<u>Proposed</u> <u>2003-2004</u> <u>Academic Year</u>	<u>Dollar</u> <u>Change</u>
University of Northern Iowa	\$995,175	\$1,165,000	\$169,925

UNI

For the 2003-2004 academic year, the University of Northern Iowa proposes an overall increase in designated tuition of \$13.10 for the following:

- Intercollegiate Athletics by \$3.10 to support operational and scholarship costs. Budget cuts and tuition increases have had a significant impact on this program.
- Fine Arts/Cultural by \$2.00 to recognize the importance of fine arts as part of the total educational experience.
- Homecoming by \$0.70 to cover rising programming costs.
- Student Activities Programming by \$0.50 to allow the continuation of Thurdaze – the weekly, non-alcoholic social event on Thursday evenings.
- Wellness and Recreation by \$1.40 to provide additional student staff to oversee the new Health Beat (exercise) facility in Maucker Union.
- Child Care Committee by \$1.70 to provide additional childcare grants for UNI students who are parents to help defray the cost of off-campus childcare.
- Center for Multicultural Education by \$2.60 to support diversity programming across campus.
- Panther Shuttle Bus by \$0.40 to cover rising operational costs.
- Gallagher-Bluedorn Performing Arts Center by \$0.40 to be combined with the revenues from the Panther Pass to underwrite 50% student discounts for all shows.
- Family weekend by \$0.30 (new) to enhance the weekend event by offering more entertainment and activities for families.

When combining mandatory fees and designated tuition, the University's funding of intercollegiate athletics is \$67.40 per student per year and will generate revenues of approximately \$930,000. In addition, a portion of the \$40.00 Panther Pass fee is used to provide reduced admission for students to athletic events.


Deb A. Hendrickson

Approved: 
Gregory S. Nichols

Table 1
Mandatory Fees -- University of Iowa

	Academic Year (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Bijou Film Commission	\$1.16	\$1.36	\$0.20	17.2%
Lecture Committee	3.58	3.36	-0.22	-6.1%
Rape Victim Advocacy Program	1.64	1.44	-0.20	-12.2%
SAVE ¹	0.34	0.22	-0.12	-35.3%
SCOPE ²	2.72	3.36	0.64	23.5%
KRUI Radio Station	1.34	1.58	0.24	17.9%
Student Video Producers	0.50	0.46	-0.04	-8.0%
Student Legal Services	2.72	3.08	0.36	13.2%
Tenant Landlord Association	0.82	0.90	0.08	9.8%
UI Student Association	22.18	23.24	1.06	4.8%
Total	37.00	39.00	2.00	5.4%
Student Services Fee				
Student Publications, Inc.	12.10	12.60	0.50	4.1%
Cambus/Bionic Bus	32.70	33.96	1.26	3.9%
Recreational Services	4.20	4.44	0.24	5.7%
Total	49.00	51.00	2.00	4.1%
Building Fee³				
Athletic/Recreation Project	30.00	29.64	-0.36	-1.2%
Recreation Building	5.40	5.18	-0.22	-4.1%
Arena/Recreation Project	27.72	28.78	1.06	3.8%
Iowa Memorial Union	25.92	55.40	29.48	113.7%
Total	89.04	119.00	29.96	33.6%

	Summer Session (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Bijou Film Commission	\$0.29	\$0.34	\$0.05	17.2%
Lecture Committee	0.89	0.84	-0.05	-5.6%
Rape Victim Advocacy Program	0.41	0.36	-0.05	-12.2%
SAVE ¹	0.09	0.05	-0.04	-44.4%
SCOPE ²	0.68	0.84	0.16	23.5%
KRUI Radio Station	0.33	0.39	0.06	18.2%
Student Video Producers	0.12	0.12	0.00	0.0%
Student Legal Services	0.68	0.77	0.09	13.2%
Tenant Landlord Association	0.21	0.23	0.02	9.5%
UI Student Association	5.55	5.81	0.26	4.7%
Total	9.25	9.75	0.50	5.4%
Student Services Fee				
Student Publications, Inc.	3.03	3.15	0.12	4.0%
Cambus/Bionic Bus	8.17	8.49	0.32	3.9%
Recreational Services	1.05	1.11	0.06	5.7%
Total	12.25	12.75	0.50	4.1%
Building Fee³				
Athletic/Recreation Project	7.20	7.41	0.21	2.9%
Recreation Building	0.00	1.30	1.30	100.0%
Arena/Recreation Project	6.80	7.19	0.39	5.7%
Iowa Memorial Union	6.00	13.85	7.85	130.8%
Total	20.00	29.75	9.75	48.8%

¹ Safe and Anti-Violence Education (SAVE)

² Student Commission on Programming Events (SCOPE)

³ Part of designated tuition in 2002-2003.

Table 2
Mandatory Fees -- Iowa State University

	Academic Year (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Government of the Student Body	\$56.70	\$56.70	\$0.00	0.0%
Reserve for Legislative Relations	0.10	0.10	0.00	0.0%
Equipment/Program Support	0.20	0.20	0.00	0.0%
Total	57.00	57.00	0.00	0.0%
Student Services Fee¹				
Cyride (Bus System)	73.80	76.80	3.00	4.1%
Recreation	38.20	40.20	2.00	5.2%
Intercollegiate Athletics	42.00	42.00	0.00	0.0%
Total	154.00	159.00	5.00	3.2%
Building Fee²				
Memorial Union ³	\$18.32	\$49.10	\$30.78	168.0%
Hilton Coliseum	18.00	18.00	0.00	0.0%
Recreation Facility	30.50	30.50	0.00	0.0%
New Ice Facility	8.40	8.40	0.00	0.0%
Total	75.22	106.00	30.78	40.9%
Summer Session (per student)				
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Government of the Student Body	\$28.35	\$14.18	-\$14.18	-50.0%
Reserve for Legislative Relations	0.05	0.03	-0.03	-50.0%
Equipment/Program Support	0.10	0.05	-0.05	-50.0%
Total	28.50	14.25	-14.25	-50.0%
Student Services Fee				
Cyride (Bus System)	36.90	19.20	-17.70	-48.0%
Recreation	19.10	10.05	-9.05	-47.4%
Intercollegiate Athletics	21.00	10.50	-10.50	-50.0%
Total	77.00	39.75	-37.25	-48.4%
Building Fee²				
Memorial Union ³	9.16	12.28	\$3.12	34.0%
Hilton Coliseum	9.00	4.50	-4.50	-50.0%
Recreation Facility	15.25	7.63	-7.63	-50.0%
New Ice Facility	4.20	2.10	-2.10	-50.0%
Total	37.61	26.50	-11.11	-29.5%

¹ \$35 in mandatory fees and \$110 in designated tuition in 2002-2003

² Entire amount was designated tuition in 2002-2003.

³ Includes fee for existing debt service and future reserves

Table 3
Mandatory Fees -- University of Northern Iowa

	Academic Year (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Services Fee				
Student Organizations	\$16.50	\$16.50	\$0.00	0.0%
Panther Pass	30.00	40.00	10.00	33.3%
Intercollegiate Athletics	37.00	45.50	8.50	23.0%
Total	83.50	102.00	18.50	22.2%
Building Fee¹				
Fieldhouse Fee	90.30	90.00	-0.30	-0.3%
Maucker Union Renovation	90.00	90.00	0.00	0.0%
Total	180.30	180.00	-0.30	-0.2%
Summer Session (per student)				
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Services Fee				
Student Organizations	\$4.75	\$4.95	\$0.20	4.2%
Intercollegiate Athletics	16.75	25.65	\$8.90	53.1%
Total	21.50	30.60	9.10	42.3%
Building Fee				
Fieldhouse Fee	2.90	27.00	24.10	831.0%
Maucker Union Renovation	17.45	27.00	9.55	54.7%
Total	20.35	54.00	33.65	165.4%

¹ \$90 in mandatory fees and \$90.30 in designated tuition in 2002-2003

Table 4
Designated Tuition -- University of Northern Iowa

	Academic Year (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Intercollegiate Athletics	18.80	21.90	3.10	16.5%
Fine Arts/Cultural	14.10	16.10	2.00	14.2%
Intercollegiate Academics	6.90	6.90	0.00	0.0%
Northern Iowan	2.50	2.50	0.00	0.0%
Homecoming	1.20	1.90	0.70	58.3%
Student Activities Programming	8.60	9.10	0.50	5.8%
Wellness and Recreation	11.40	12.80	1.40	12.3%
Child Care Committee	1.20	2.90	1.70	141.7%
Center for Multicultural Education	2.90	5.50	2.60	89.7%
Panther Shuttle Bus	6.80	7.20	0.40	5.9%
Gallagher-Bluedorn Performing Arts Center	2.50	2.90	0.40	16.0%
Family Weekend	0.00	0.30	0.30	New
TOTAL	76.90	90.00	13.10	17.0%

	Summer Session (per student)			
	Actual 2002-2003	Proposed 2003-2004	Dollar Change	Percent Change
Student Activities Fee				
Intercollegiate Athletics	4.70	9.00	4.30	91.5%
Fine Arts/Cultural	4.35	4.30	-0.05	-1.1%
Intercollegiate Academics	0.20	0.95	0.75	375.0%
Northern Iowan	0.65	0.65	0.00	0.0%
Homecoming	1.25	0.15	-1.10	-88.0%
Wellness and Recreation	9.60	9.50	-0.10	-1.0%
Child Care Committee	0.25	0.50	0.25	100.0%
Student Activities Programming	0.25	0.05	-0.20	-80.0%
Center for Multicultural Education	0.25	0.10	-0.15	-60.0%
Panther Shuttle Bus	0.00	0.10	0.10	100.0%
Gallagher-Bluedorn Performing Arts Center	1.40	1.50	0.10	7.1%
Family Weekend	0.00	0.10	0.10	New
TOTAL	22.90	26.90	4.00	17.5%